

Internal Revenue Service
memorandum

CC:TL

Br.4:RBWeinstock

date: 4 JUN 1987

to: District Counsel, Dallas
Attn: John S. Repsis

from: Director, Tax Litigation Division

subject: [REDACTED]

Pursuant to conversations between our offices, by memorandum dated May 13, 1987, you requested technical advice in order to ascertain the Service's litigating position with respect to the issue presented by this initial classification declaratory judgment action.

The issue raised by this case is whether a religious organization such as [REDACTED], whose primary activities involve religious broadcasting and the publication and distribution of religious literature, constitutes a church within the meaning of I.R.C. § 170(b)(1)(A)(i).

Subsequent to receiving your request for technical advice, the Tax Court in a fully reviewed opinion, Foundation for Human Understanding v. Commissioner, 88 T.C. No. 75 (May 19, 1987) (copy enclosed), held that an organization whose predominant activity consisted of religious broadcasting and the publication and sale of religious literature was a church. The Court found that under the facts and circumstances the organization possessed sufficient associational characteristics to constitute a church. We are now in the process of reviewing the Tax Court opinion to determine if we agree with the legal standard the Court applied, and whether or not we wish to recommend appeal of the decision.

Our initial review of the the administrative record in this case suggests that the petitioner, [REDACTED], may be distinguishable from the organization in Foundation of Human Understanding. Because your case similarly involves the question of whether an organization whose predominant activities involve a radio ministry qualifies as a church, we will defer our consideration of your technical advice request until after we have completed our review of the Foundation of Human Understanding opinion, and have determined what changes, if any, to make with respect to the Service's litigating position.

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We will continue to retain the material you enclosed with your technical advice request. If you have need for any of the material, or have any other question on this matter, please contact Ronald B. Weinstock at 566-3345.

ROBERT P. RUWE
Director

By:



HENRY G. SALAMY
Chief Branch No. 4
Tax Litigation Division

Enclosure:
As stated